



HOUSE BUDGET COMMITTEE

Democratic Caucus

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Help for the Unemployed in the House Democratic Economic Stimulus Proposal

Democrats call on the President and Republicans in Congress to pass this week Rep. Rangel's bill to extend federal unemployment insurance benefits for Americans who have lost their jobs and are looking for new ones. The Temporary Extended Unemployment Compensation (TEUC) program ended on December 28 because the President and House Republicans rejected Democratic pleas to extend the TEUC program with a compromise bill that the Senate had passed unanimously. By refusing to act, House Republicans terminated federal benefits for more than 800,000 jobless Americans. Each week, an additional 95,000 workers exhaust their regular unemployment benefits and get no additional federal help.

The Democratic proposal would reestablish and expand the federal TEUC program. It would guarantee all jobless workers at least 26 weeks of extended benefits and would expand access to unemployment benefits for workers who are low-wage earners or work part time. This would cost \$18 billion in 2003, and \$10 billion over 2003-2013.

For the nearly 3.5 million workers running out of regular benefits in the first half of 2003, the Democratic proposal would:

- ***Extend TEUC*** — Extend TEUC, which expired on December 28, until June 30, 2003.
- ***Provide Assistance Longer*** — Allow workers to receive 26 weeks of extended unemployment benefits (up from 13 weeks in last year's TEUC program) after they exhaust their regular unemployment compensation.
- ***Aid High-Unemployment States*** — Provide seven additional weeks of benefits in states with especially high unemployment.
- ***Expand Access*** — Extend unemployment benefits to low-wage earners and part-time workers.

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For the more than 800,000 workers who were cut off on December 28 and the over one million jobless workers who exhausted their extended benefits in 2002 (so-called “exhaustees”), the Democratic proposal would provide additional extended benefits. These benefits include:

- ***13 More Weeks for 2002 “Exhaustees”*** — Workers who exhausted their 13 weeks of TEUC in 2002 would receive 13 more weeks.
- ***Complete Aid for People Cut Off on December 28*** — Workers cut off when TEUC terminated on December 28 would receive the remainder of their original 13 weeks, plus the additional 13 weeks referred to above.
- ***Extra Aid in High-Unemployment States*** — Workers who exhausted 26 weeks of TEUC in 2002 (which they received because their state hit the requisite unemployment trigger) would receive an additional seven weeks if their state remains designated as “high-unemployment” according to the bill’s new triggers.